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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/07

SPONSOR Taylor LAST UPDATED _____ HB _____

SHORT TITLE Youth Methamphetamine Prevention Program SB 936

ANALYST Hanika Ortiz

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|-----------|-------------------------|------------------|
| FY07 | FY08 | | |
| | \$2,200.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

Relates to the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Defender Department (PDD)

Department of Health (DOH)

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 936 appropriates \$2.2 million from the General Fund to DOH to contract to provide programming to reduce risky behaviors of youth through education about and prevention of methamphetamine use or abuse among youth in each of the four geographic quadrants of New Mexico, to be implemented in at least 25 locations.

FISCAL IMPLICATIONS

The appropriation of \$2.2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

Substance use prevention funding is included in the Executive Budget Recommendation which includes \$10 million in tobacco cessation and prevention funding (an increase over FY07 of \$2.1 million from the Tobacco Settlement Fund) and more than \$200,000 in general funds for harm reduction professional services.

HSD reports that because this appropriation is aimed at prevention, it is not likely that these costs could be matched with federal Medicaid dollars.

SIGNIFICANT ISSUES

According to DOH, methamphetamine is a problem that exists on the Navajo Nation and the northeastern and in the southwestern regions of the state.

DOH notes that, according to the National Institute on Drug Abuse, prevention programs in middle schools can have an impact on methamphetamine use among rural and frontier youth in their adolescent years. Early intervention efforts with youth to reinforce healthy norms, while offering alternatives to methamphetamine and other drug usage, are vital to creating a community atmosphere that does not support drug production and usage and limits accessibility to the ingredients needed to produce methamphetamine.

PERFORMANCE IMPLICATIONS

DOH will need to collaborate with the Public Education Department and other entities serving youth.

Fighting methamphetamine addiction is listed as one of the Governor's *A Healthy New Mexico* priorities in the Governor's FY08 Executive Budget.

ADMINISTRATIVE IMPLICATIONS

DOH anticipates that the distribution of these funds will require a Request for Proposals process to establish the service delivery contracts. Additional staff to support and oversee service delivery will be required.

OTHER SUBSTANTIVE ISSUES

DOH and HSD observe that programs of critical importance, such as substance abuse prevention for youth, should be funded beyond one year. An interruption in prevention programs could lead to a destructive loss of involvement by youth, their families, and community stakeholders. DOH has an exemplary, nationally recognized track record with multiyear substance abuse prevention programs involving environmental strategies and community involvement; any funding of this type of program should support these efforts.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Funding will not be available to the DOH to contract for programs to reduce and prevent risk behaviors associated with methamphetamine use amount youth.

QUESTIONS

Can the funding flow through existing programs administered by the Statewide Entity, ValueOptions New Mexico?

AHO/csd